

Budget Brief – Child and Family Services

DEPARTMENT OF HUMAN SERVICES

NUMBER DHS-08-07

THE DIVISION OF CHILD AND FAMILY SERVICES

The Division of Child and Family Services (DCFS) based on State law (62A-4a-103) is “the child, youth, and family services authority of the state” and defines its primary purpose as providing a safe environment for children. The Division provides services to help families such as child abuse prevention services, child protective services, shelter care, foster care, residential care, adoption, and health-care for children in state custody. In addition DCFS provides family preservation and domestic violence prevention services.

DCFS provides the following services either “in-house” or through private provider contracts:

- In-home Services are designed to allow children to remain in their home or receive services after their return home by focusing on protecting the child while supporting, strengthening and preserving the family;
- Out-of-Home Care is for children placed in foster care or other residential programs;
- Facility Based Services is short-term shelter services until a child can be placed in foster care or return to their home;
- Special Needs provides services for children with special needs who are in their home or residential facilities;
- Domestic Violence provides service for the victims and perpetrators; and
- Adoption Assistance provides financial assistance to families adopting children from state custody

The FY 2008 recommended base budget totals \$150,392,100 with \$92,254,800 (61 percent) from the General Fund. The General Fund figure includes a reduction of \$239,200 based on the Federal Medical Assistance Percentages (FMAP) rate change for FY 2008. Other funding sources include \$45,158,100 (30 percent) from federal funds and the balance of \$12,979,200 from dedicated credits, General Fund Restricted Accounts Children’s Trust and Victims of Domestic Violence Services and transfers including Medicaid transfers. Passage of the Federal Budget Deficit Act during the 2006 General Session resulted in a loss of federal funds (Title IVE and Medicaid) for DCFS. The Legislature appropriated state funds of \$9.5 million for FY 2006 and \$17.8 million for FY 2007 to replace the loss of federal funds.

Figure 1: Human Services - Child and Family Services - Budget History

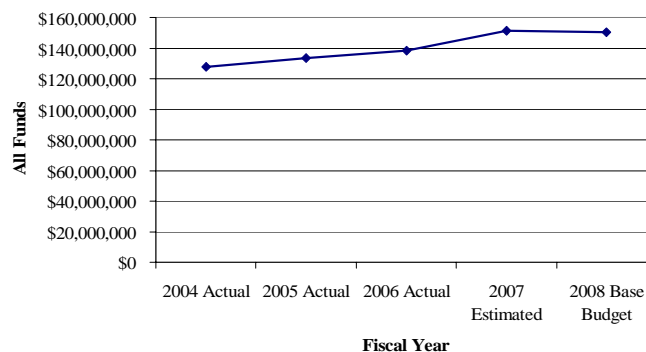


Figure 2: Human Services - Child and Family Services - FTE History

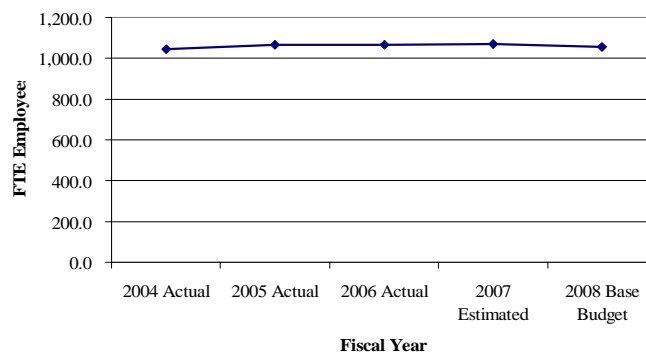
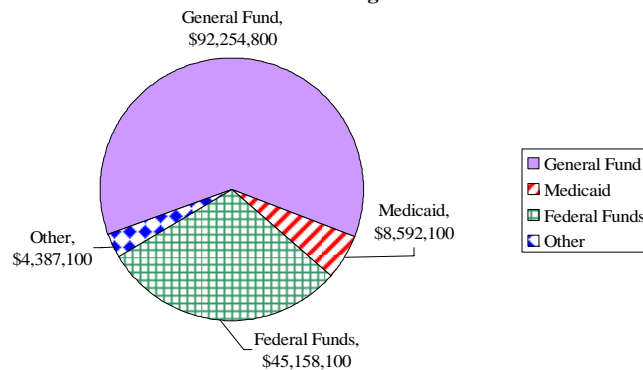


Figure 3: Human Services - Child and Family Services - FY 2008 Funding Mix



LEGISLATIVE ACTION

The Executive Appropriations Committee requests that the subcommittee adopt base budgets for each agency under the subcommittee's purview, fund subcommittee priorities by reallocating revenue among programs, and provide a prioritized list of desired items for funding. The subcommittee should consider the following items in its deliberations:

Base Budget Adoption

Adoption of the base budget enables the programs to continue for the next fiscal year at relatively the same level as the current fiscal year. Some changes in the base budgets may occur, namely non-state fund increases or decreases (i.e. federal funds, transfers, dedicated credits and non-lapsing balances) and program shifts within a line item.

Funding Requests for Consideration

The following are the General Fund requests of DCFS. The programmatic needs will be discussed in detail with the Analyst's recommendation and total plan of financing in the issue briefs:

1. David C. Lawsuit Court Monitor – Issue Brief DHS-08-13
2. Additional Child Abuse Neglect Caseworkers – Issue Brief DHS-08-14

Reallocation of Internal Service Funds

DHS has requested that \$57,800 of FY 2007 Internal Service Funds (ISF) for the Risk Management Liability Premiums are reallocated to the appropriate programs within DHS for FY 2008 as shown in the following table: This request for reallocation is addressed in the Department of Human Services Budget Brief, (see Budget Brief DHS-08-01) however, it is shown here as an information item since one program is affected in DCFS.

| Department of Human Services -Internal Service Fund Risk Management Liability Premium FY 2007 Adjustment in FY 2008 | | | |
|---|----------------|-------------|------------|
| Division | Program | Approp Unit | Amount |
| Substance Abuse and Mental Health | Administration | KBA | (\$700) |
| Substance Abuse and Mental Health | State Hospital | KBF | (\$16,500) |
| Services for People with Disabilities | Administration | KFA | (\$12,500) |
| Child and Family Services | Administration | KHA | \$57,800 |
| Juvenile Justice Services | Administration | KJA | (\$28,100) |
| Total | | | <u>\$0</u> |

BUDGET DETAIL

The following table shows the budget history for the DCFS line item including the base budget for adoption:

| Human Services - Child and Family Services | | | | | | |
|---|----------------------|-------------------------|--------------------|----------------------|--------------------|-------------------------|
| Sources of Finance | FY 2006 Actual | FY 2007 Appropriated | Changes | FY 2007 Revised | Changes | FY 2008* Base Budget |
| General Fund | 69,448,800 | 92,494,000 | 0 | 92,494,000 | (239,200) | 92,254,800 |
| General Fund, One-time | 10,511,400 | 189,200 | 0 | 189,200 | (189,200) | 0 |
| Federal Funds | 44,286,500 | 43,588,600 | 1,469,700 | 45,058,300 | 99,800 | 45,158,100 |
| Dedicated Credits Revenue | 1,911,500 | 1,771,800 | 4,900 | 1,776,700 | 0 | 1,776,700 |
| GFR - Children's Trust | 400,000 | 400,000 | 0 | 400,000 | 0 | 400,000 |
| GFR - Domestic Violence | 712,200 | 734,800 | 0 | 734,800 | 0 | 734,800 |
| Transfers - H - Medical Assistance | 15,622,100 | 7,460,800 | 1,191,900 | 8,652,700 | (60,600) | 8,592,100 |
| Transfers - Other Agencies | 193,700 | 263,500 | (40,300) | 223,200 | 26,900 | 250,100 |
| Transfers - Within Agency | 0 | 0 | 26,900 | 26,900 | (26,900) | 0 |
| Beginning Nonlapsing | 1,667,500 | 223,300 | 4,834,700 | 5,058,000 | (1,654,000) | 3,404,000 |
| Closing Nonlapsing | (5,058,000) | 0 | (3,404,000) | (3,404,000) | 1,225,500 | (2,178,500) |
| Lapsing Balance | (1,510,100) | 0 | 0 | 0 | 0 | 0 |
| Total | \$138,185,600 | \$147,126,000 | \$4,083,800 | \$151,209,800 | (\$817,700) | \$150,392,100 |
| Programs | | | | | | |
| Administration | 3,538,100 | 3,743,300 | 247,400 | 3,990,700 | (262,600) | 3,728,100 |
| Service Delivery | 60,614,900 | 64,479,100 | 434,400 | 64,913,500 | 60,300 | 64,973,800 |
| In-Home Services | 2,096,700 | 2,087,900 | 143,500 | 2,231,400 | 0 | 2,231,400 |
| Out-of-Home Care | 33,929,500 | 37,847,400 | 1,810,200 | 39,657,600 | (1,410,800) | 38,246,800 |
| Facility Based Services | 3,922,900 | 4,123,300 | 89,700 | 4,213,000 | 3,700 | 4,216,700 |
| Minor Grants | 4,844,300 | 5,128,400 | 45,000 | 5,173,400 | 2,100 | 5,175,500 |
| Selected Programs | 3,179,200 | 3,025,600 | 206,800 | 3,232,400 | 0 | 3,232,400 |
| Special Needs | 2,067,800 | 1,953,500 | 49,700 | 2,003,200 | 0 | 2,003,200 |
| Domestic Violence Services | 5,552,100 | 6,100,500 | 74,000 | 6,174,500 | 5,000 | 6,179,500 |
| Children's Trust Fund | 368,100 | 400,000 | 2,300 | 402,300 | 0 | 402,300 |
| Adoption Assistance | 13,000,900 | 13,158,800 | 20,500 | 13,179,300 | 782,100 | 13,961,400 |
| Child Welfare Management Information System | 5,071,100 | 5,078,200 | 960,300 | 6,038,500 | 2,500 | 6,041,000 |
| Total | \$138,185,600 | \$147,126,000 | \$4,083,800 | \$151,209,800 | (\$817,700) | \$150,392,100 |
| Categories of Expenditure | | | | | | |
| Personal Services | 55,169,300 | 59,488,800 | (699,700) | 58,789,100 | 400 | 58,789,500 |
| In-State Travel | 819,700 | 764,400 | 60,500 | 824,900 | 0 | 824,900 |
| Out of State Travel | 76,800 | 52,300 | 25,600 | 77,900 | 0 | 77,900 |
| Current Expense | 17,044,300 | 17,102,300 | 890,700 | 17,993,000 | (262,600) | 17,730,400 |
| DP Current Expense | 4,274,700 | 4,016,700 | 1,171,400 | 5,188,100 | 2,500 | 5,190,600 |
| Other Charges/Pass Thru | 60,800,800 | 65,701,500 | 2,635,300 | 68,336,800 | (558,000) | 67,778,800 |
| Total | \$138,185,600 | \$147,126,000 | \$4,083,800 | \$151,209,800 | (\$817,700) | \$150,392,100 |
| Other Data | | | | | | |
| Budgeted FTE | 1,064.7 | 1,064.1 | 6.2 | 1,070.4 | (15.0) | 1,055.3 |
| Vehicles | 184 | 183 | 1 | 184 | 0 | 184 |

*Does not include amounts in excess of subcommittee's state fund allocation that may be recommended by the Fiscal Analyst.

RECOMMENDATIONS

It is the recommendation of the Analyst that the base budget for FY 2008 for the Division of Child and Family Services of \$150,392,100 with the plan of financing shown in the above table be adopted by the Health and Human Services Appropriations Subcommittee. The Subcommittee may want to consider reallocation of the base budget revenues in this division to meet departmental funding priorities in addition to the adoption of the base budget.